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JAPAN REPORT

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POLITICAL AND SOCIOLOGICAL

CONSPIRATORIAL MARKET OPENING POLICY GIVES IN TO U.S. THREATS

Tokyo SEIKEIJIN in Japanese May 85 pp 30-33

[Article by Kunio Ote: "On Opening Japanese Markets and American Threats"]

[Text] There is probably no Japanese citizen who did not feel a rush of blood to the head at the threat made to Japan by the U.S. Congress from March to April of this year. The large deficit in the balance of trade, leaving aside that it occurred because of slipshod economic conduct, was said to be unfair and violated basic principles of free trade. Then, having completely angered the citizenry, the affair in the end concluded on 9 April.

This resolution of the issue, which smelled of collusion, bewildered the seriously angered public, as if they had been taken for a ride. Even so, when you look at the attempt to intimidate which outrivals any criminal gang, we become despondent at being called an "allied power" and the like. There will be no end to it if each time we accede to the demands of this spoiled child with "yes, you are so right." The government should discard its attitude, like that of some chief clerk to a commercial nation, and after disposing of the source of these threats and this kind of agony, ought to negotiate from a position of equality in a dignified manner.

Dirty Methods Which Ought not To Exist in Great Nations

The "shakedown" to the accompaniment of the resolution condemning Japan, the recommendation for the introduction of import charges, and the like, was at last resolved on 9 April. When you think that we were told awfully dangerous things--that we were on the eve of the outbreak of war--the result was so insignificant, that one would think, really, is that all there is? Prime Minister Nakasone, who temporarily paled, said, with an expression which told of the great duty he performed, appealed to the people: "promote, buy, and use foreign goods." This was a full 180 degree turn from the position of the government, which formerly advocated patronization of domestic goods, and how sudden and artificial it was.

Then he said "I did my best, and I believe that we have been able to have the United States understand to a great degree." But, when you examine the actual items, the only concrete thing is the purchase of a communications satellite. The lowering of duties on plywood, which was to have been a showpiece, will

start in 3 years, and then the rate is not clear, and the communications equipment agreement is at the level of writing clauses related to basic positions, such as the simplification of administrative procedures. The characteristics of the past, random "bean scattering," or "selecting out a few" still remain strongly as always.

Anybody can probably fortell that "they'll be back to harass us again." Even though that is so, the American reaction was reported via ABC and the three big networks to be: "we are satisfied. We hope the Congress will appreciate this." How did "on the eve of outbreak of war" suddenly change, like this?

There really are some positive aspects to scare tactics. Looking back at the provocation, the United States Senate in full session unanimously passed a resolution, and the "demand that the President of the United States take countermeasures against Japanese unfair trade practices" was its highlight. Presidential special representative Siquir quickly came to Japan and by meeting with the prime minister on Sunday and through other actions, showed the tension of the situation, but when the prime minister took a position swallowing the American proposals on lowering of duties on timber, communications equipment, and semiconductors, in quick succession, the fire which looked like it was about to roar into flame immediately subsided.

The President's office issued a statement saying that they "appreciate Japan's market liberalization efforts." On the other hand, even Senator Danforth, the specialist in coercion phrases, who had seemed to be in a rage, nonchalantly began to say "the Senate resolution was for the purpose of extracting concessions from Japan and it has achieved our purpose." When we see this chameleon characteristic of a person who is hard to please, we can only think, from the bottom of our heart, that the Japanese like people too much. If I may say so, it is a method used by racketeers linking thorough intimidation with complete acquiescence, and if unchecked, there is no telling what he might do. Using props like the special representative and making an intimidator out of Danforth, like some member of the Yamaguchi gang, takes a lot of work, but it is really nothing. It is a tactic often employed by criminal gangs.

It is a dirty method in which they get what they want and the President's office cheats us under the pretext of kindness, leaving the threats to the Senate which becomes a detached force. The Japanese bureaucracy too, which made our opponent as mad as this, had something to do with this, but it is the United States, in my estimation, which slipped. Let's say that it is a disagreeable method unbecoming of a great nation.

Indeed, the point could be made that Prime Minister Nakasone has used this threat fully. For the domestic audience he shows that he is deep in thought about "this matter of great concern," and he had to concede, to the point of virtually swallowing all of the U.S. demands even concerning semiconductors and communications equipment. He had to make the change to financial payments for the promotion of domestic commodities from the lowering of duties on coniferous plywood which he was adamantly opposed to. As he is weak in economics, and is a prime minister who does not have much strength to influence industry, we can probably say that it was a good performance.

Just as there was collusion between the U.S. Government and the Congress, we can say that both the U.S. and Japanese Governments came to terms in a calculating manner. In that sense, we can say that the actors turned into foxes and badgers and made a deal, cleverly grappling with each other. If I may say so, it is quicker to say that they were bewitched in the haunt of possessive spirits.

Stronger Dollar, High Interest, Problems

However, this kind of monkey show is not new. The U.S. Congress fired the warning shot, and the government, pretending it was in order to placate the Congress, pressed Japan for concessions. Japan quelled the force of domestic opposition with the argument that it was foreign pressure which it had temporarily dodged with the concessions. In that way the parties concerned on both the Japanese and U.S. sides, while leaving behind some dissatisfaction on both sides, brought the affair to a tranquil conclusion, with each saving face. We have truly "been down this road before" in this course of events.

For Japan was there no choice but this method of treating the symptoms in order to put out the flames which burst out while everyone was offering advice? And, if the prime minister thought that if the United States were let loose to raise a commotion, then at the next summit they might form a conspiracy with the EC against Japan, and perhaps beat up on Japan yet again, and there would be nothing he could do about it. And, we must say that this kind of accommodation was a makeshift device to avoid that scenario.

How in the world did this inequality in U.S.-Japanese trade come about? Whatever we say, it is the extraordinarily high dollar that has caused American industry completely to lose its ability to compete, and with a high dollar, cheap foreign goods come pouring in and this is the biggest cause of the worsening of trade payments. There is something wrong when feeling good they say things like "a strong dollar is the manifestation of the strength of the American economy," (President Reagan).

High interest rates which have an obverse and converse relationship to the high dollar have their origin in a budget deficit which will exceed \$200 billion in 1985. High interest rates invite the influx of overseas capital and that pulls up the dollar in a vicious circle. This is what is at the very bottom of the trade deficit. Allowing this kind of unhealthy economic management to continue results in the disgrace of becoming a debtor nation.

It is necessary, more than anything else, for the principal currency nation, which has a dollar printing press in its back yard to maintain a standard for itself. In addition to that they ought to work hard to reduce the size of the deficits which give rise to the strong dollar and high interest rates. And discussion of the trade deficits, which are the result of the budget deficit, though it mistakes the cause for the effect, is also good. The one we call the neighborhood bully is apt to think that the world revolves around him, and by saying that it is the other guy who is wrong, he glosses over his own responsibility.

This condemnation of Japan is that sort of thing. What is criminal is that this one way insistence was unanimous in Congress. That it is grassroots democracy, or paying respect to minority opinion which sometimes brings about outstanding benefits, but we Japanese also take to heart that there is a kind of mass hysteria.

The prime minister's imagination which stretches to pulling in the EC nations and their beating up on Japan is a fantasy of injury. If an American villain did threaten anything like that, it would be logical to take a fighting stance, join up with the EC and assume a defiant attitude by asking what are you going to do about the strong dollar and high interest rates? Thus, this idea is the one which has the most adherents by far.

Even so, Deficits With Japan Will not Decrease

What is completely unspeakable is probably giving in to the high-handed threats without understanding the contents of recent trade, and playing the acceptance cards one after another. The trade deficit with Japan has swollen extraordinarily to \$37 billion, but if we look at 1981 to 1984 in an interim fashion, the Japanese share has decreased year by year from 45.6 percent (1981) to 29.8 percent (1984). Even looking at the amount contributed by region, the largest was the non-oil producing developing countries with 45.1 percent, the EC 26.3 percent followed by Japan with a mere 22.4 percent.

Even as to imports which were also attacked, in 1984 Japan showed an increase of 8 percent, and from the United States the figure was a 9 percent increase, which was more than average growth. There was also an increase of 18.2 percent in imports of manufactured goods, and the figure for the United States was 12.9 percent, less than this average, and that speaks to the extreme drop in the competitive power caused by the high dollar. The situation is continually changing and to replay an antiquated recording that they are right demonstrates an extreme lack of analysis.

What cannot be helped is, that acceding to this degree and even adopting a market liberalization policy, that trade deficits with Japan will not necessarily decrease. This is because the strong dollar, high interest rates, and differences in U.S. and Japanese industrial organization still remain as before. Even when you try to give a passing grade to a student who is lazy, if the other students work hard they will get good grades. Then the student who got poor results will probably cry that "it's unfair" and complain that the grading system is bad.

That possibility is fairly strong. If we dispense with communications equipment and timber, we will likely light the glowing coals of friction with no limit, for expanding aluminum imports or chemical products. Together with this, by saying that the Japanese language is the biggest trade barrier, or that the bureaucracy is a cancer, we can see that they will come to quarrel even with the reason for the existence of the Japanese.

We have really critized only the United States, but we do not have the slightest intention of intimating that Japan's way of opening its markets

is without flaws. In a fight there is some pretext, but even so, since the methods used by the United States are fairly dirty, we have only emphasized that aspect. Suppressing the bureaucrats who change the profits of farmers or of special industries into the national interest, protection ought to be limited to merely foodstuffs, energy, and leading edge industries, and everything else ought to be liberalized and we should not give the United States any room to accuse Japan falsely. The people hope that this kind of unpleasant negotiation will not be repeated.

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POLITICAL AND SOCIOLOGICAL

ROLE OF GENERATION WAR IN FOUNDING OF SOSEIKAI EXAMINED

Tokyo THIS IS in Japanese Apr 85 pp 27-42

[Text] Flames Burst Out in the Generational War

1985 Political World in Turmoil

1. Frustration Upon Frustration and Eventual Decision

"I want this day to be deeply etched in my heart and to use it as a learning experience."

The spectacle of this day, 7 February 1985, marking the beginning of the "Soseikai," would be something that Noboru Takeshita (finance minister) would never be able to forget. Since he became a Shimane Prefecture Assemblyman at the age of 27, and through his 33-year life in politics, this was the first time he had gained "the troops necessary to aspire to the highest post," and there were 40 followers who were introduced.

Although an agreement had been made with Kakuei Tanaka (former prime minister) and Takeshita asserted that he was not trying to form a faction within a faction, saying that they had agreed to proceed as concentric circles, no one in the political arena believed that this was only a study meeting. It was clearly a "flag raising" by Takeshita, with an eye on the post-Nakasone era. Because of this, up to the time of the inception of the Soseikai, considerable determination and secrecy were involved in the preparations.

Meeting To "Rally" in Akasaka in December

The direct origins of the movement are to be found about mid-December of last year. On 13 December, during the plenary session of the Lower House of the Diet, in the midst of the deliberations to ratify the Japan-Soviet Fisheries Agreement, one of the midlevel members of the Tanaka faction, Seiroku Kajiyama (later to become business manager of the Soseikai), casually approached several young members and whispered in their ears: "We're going to have a gathering in honor of Take-san shortly." A momentary glimmer of excitement appeared in each of them as they realized what was about to happen.

Considerable care had been taken with regard to the day's schedule and selection of participants. It was on the evening of the 19th that the decision to "gather on 25 December" was made. At a favorite French food restaurant in Akasaka that Kanemaru (secretary general) frequented, Kanemaru, Takeshita, Ichiro Ozawa (chairman of the Lower House Steering Committee), and Kajiyama assembled and finally confirmed the "rally to action." The gears to bring about the generational war began moving at that instant....

Tanaka's close aide, Ganri Yamashita (former Defense Agency director) gnashed his teeth, saying: "Why does Takeshita have to do something like this right now, when the boss (Tanaka) is trying to shake off the disgrace of the Lockheed trap, because of which he suffered 10 years of anguish, and is attempting to make a comeback in politics." But the roots of "rebellion" were there.

Ever since Tanaka resigned (fall, 1972) over money problems and was arrested (July 1976), his entire strategy had been "to win a victory in the courtroom and to maintain his political influence at all costs until his return to power." Tanaka, 66 years old, said publicly: "I will persist for 10 more years" (at last year's Tanaka faction study meeting).

And as a means of exercising the so-called political influence of "Tanaka control," Tanaka, "with the power of number backing him, exerted every effort to consolidate his kingmaker." In order to accomplish this, it was essential that he maintain the largest faction within the party and that the Tanaka faction be maintained "rock solid." So the general approach taken by Tanaka was: The rise of Takeshita, which will only whittle away our own strength, will be suppressed.

The main point of interest in the political world was: "When will Takeshita make his move? Even though he was viewed as the most conservative of the new leaders, he was under pressure as a deadweight under the Tanaka umbrella."

There had been a number of portents of this previously. One was the occasion of the formation of the Seisaku Kenkyu Kai (Jiyu Shakomin Kenkyuu kai) in July 1977, which included the new leaders, following the Lockheed incident when the "Tanaka faction three-way split theory" was being talked about (end of 1976). Needless to say, this incurred Tanaka's displeasure.

Promotion--Kanemaru's Long-Range Strategy

The peak came during the double elections for the House of Representatives and the House of Councillors in June 1980. The instigator was again Kanemaru. It was at the height of the double elections when the incumbent prime minister, Masayoshi Ohira, suddenly died. Kanemaru made a speech calling for a "drastic generational change" and the "retirement of all leaders of existing factions." He lit a fire, but this was suddenly extinguished with the installation of the Zenko Suzuki administration, a victory aided by Tanaka. Subsequently, Abe (Shintaro, foreign minister) made his self-proclamation in the fall 1980

elections for the party presidency, but this never really gained steam. Takeshita's return to a place in the sun was achieved with his appointment as minister of finance in the Nakasone cabinet.

Takeshita's attitude of patience, of "waiting until the ripened persimmon drops from the tree," was too frustrating for his guardian, Kanemaru, who began making his own plans the instant he assumed the post of chairman of the Executive Committee at the end of 1983. The first steps in this plan were taken on 3 February 1984 at a secret meeting held with Nakasone (prime minister) at a restaurant in Tsukiji, Tokyo. Kanemaru, along with promising to cooperate with Nakasone, implicitly asked for Nakasone's agreement "to build a bridge toward a generational change." Following Nakasone's attendance at a testimonial for his first cabinet, no one noticed that he and Kanemaru exchanged handshakes.

On 30 March, when Tanaka quickly announced "support for Nakasone's reelection" in order to forestall the Suzuki faction's plans to put up Miyazawa as a candidate and to put an end to deep-rooted feelings within his own faction for "a candidate from our own faction.," Kanemaru almost without pause announced "support for reelection." This was due, of course, to the foregoing circumstances. The outline of the strategy beyond "the fall of 1986" was beginning to fall in place for Kanemaru.

"All efforts will be made to reelect Nakasone as party president this fall. This is one way of making sure that Nakasone's eyes do not stray from Takeshita and Abe. This is the first priority. Of course, after Nakasone's reelection there will be probably be a strong tug of war with the boss (Tanaka). In order to accomplish a generational change, Nakasone has to acquire more power and the boss's political influence has to be reduced. For that reason as well, I will next take the post of secretary general!"

At this time, Nikaido, who had caused havoc during the fall presidential elections with his candidacy moves, merely saw them sprout under water; none of the moves had the quality of being the "real thing." Suzuki--who affirmed, "I will have you, Nikaido (Susumu, vice president), serve one term or 2 years, then it would be best for a Miyazawa (Kiichi, currently Executive Board chairman) administration to come into being"--and Kanemaru--who asserted, "In the post-Nakasone era, let us bring about a change to Takeshita - Abe"--submerged themselves.

The evening of 5 July, Yo Endo of the Tanaka faction (chairman, House of Councillors Steering Committee) and Taro Nakayama of the Fukuda faction (House of Councillors, LDP secretary general) engineered a meeting between Takeshita and Abe. Each came to the meeting with three young midlevel House of Councillor members in tow. The purpose was to create the image of a "Yasu - Take alliance." On the following day, Kanemaru, upon meeting Takeshita at the plenary session of the House of Representatives, smilingly said: "You two have a lot of guts, meeting in the open as you did."

While deepening agreement with Nakasone, this must certainly have been a

welcome incident to Kanemaru, who said: "The office of prime minister-president will not come to you just by opening your mouth. It is something that has to be won in battle. Even a faction leader will not vacate his castle readily."

Kanemaru: "In the reelection personnel shifts, I will not enter the cabinet nor will I remain in my present position. That leaves only the secretary general's post."

Nakasone: "I am well aware. I want you to trust where my true intentions lie."

Receiving word of a Tanaka-Nakasone meeting in Karuizawa (23 August), Kanemaru met Nakasone at the prime minister's official residence and bluntly related the foregoing. It was the end of August.

After that, the fall politics progressed toward the Nikaido candidacy moves, but in the process Takeshita was asked by the Nikaido side for cooperation (mid-October). Takeshita said: "I was in a quandary" (midlevel Tanaka faction member). "If a Nikaido administration came into being, would the generational change proceed . . .?" This may have been a factor in the decision. During this period, Kanemaru, who had been on a 2-week trip abroad, immediately after returning blasted Takeshita: "That thinking is naive. How can you expect a Tanaka administration (Nikaido) to make a transition directly to another Tanaka administration (Takeshita)!"

Kanemaru's strategy of support for Takeshita--who finally began to show some ambitions to power when he said, "Even Sato (Eisaku,--former prime minister) became prime minister at the age of 63; (having passed the age of 60 myself), will 1986, 2 years from now, be one of my mileposts?"--would have been shaken to its very roots if Takeshita were to be led astray by Nikaido's candidacy bid.

Kanemaru also contacted Abe and put an end to this, saying: "Don't under any circumstances join in the Nikaido candidacy operation." However, the public attention was drawn more by Tanaka's apparent estimate of the seriousness of "Nikaido's rebellion" than by Kanemaru's counterattacks. As a result, after Nikaido's candidacy moves ended as an illusion, it was said widely that, "Even as loyal as Nikaido was, the essence of the Tanaka faction is to prevent the party presidency- prime minister's office from emerging their own ranks," and the schisms and the dimming of "Tanaka control" within the faction were pointed out.

2. Secret Tactics with an Eye to the Flag Raising

Kanemaru, who had achieved his long dreamed of post as secretary general, in the interim, kept playing his pieces one after the other aimed at the road to generational change. The fact that all of the vice secretaries general positions were handed to Kanemaru - Takeshita sympathizers, such as Toshiki Kaifu (Komoto faction), Keizo Kobuchi (Tanaka faction), Yoshiro Mori (Fukuda faction), Koichi Hamada (unaffiliated), was part of this plan.

To Tanaka, blessed with great capacity for insight, must have seen "Kanemaru's next move" as clearly as the palm of his hand. It was precisely because of this that he reportedly changed his tactics to "hiding the cracks" and hurried to mend fences with Nikaido. Seeing this, Suzuki's analysis was: "Kaku-san is joining hands with Nikaido and he is undoubtedly thinking about opposing the Kanemaru-Takeshita group. The power balance within the Tanaka faction is, I suppose, about 60 - 40."

As Tanaka let slip in a conversation at the end of January when the uproar over the Soseikai surfaced, "Nikaido (his actions) certainly made everyone hustle," the dissatisfaction that erupted following the Nikaido candidacy moves became a major motivating force for the creation of the Soseikai which was participated in by, among others, Ryutaro Hashimoto (deputy chairman of the Soseikai), Obuchi, Ozawa (Ichiro), and Kajiyama.

(1) We don't want to allow the thesis of not putting up our own factional presidential-prime ministerial candidate to continue; (2) Tanaka's policy of expansion is reaching its limits and is a cause of internal factional dissidence; (3) the leaders and officials of the faction make no attempt to bring to Tanaka's attention this sort of thinking among the midlevel and young members of the faction, and an attitude indicating a sense of willingness to talk seriously is lacking; (4) in this situation, the Tanaka faction may well become nothing more than a group with numbers. This is the situation. The fact that Tanaka has made no attempt to resolve the continuing issue of "rebellion," such as the move for "separation of the posts of president and prime minister" centered around Nikaido in the post-Suzuki period in the fall of 1982 and the Nikaido candidacy, have added to the internal faction dissatisfaction.

It is said that there was also a "personnel dissatisfaction" (a former cabinet member of the Tanaka faction) regarding the repeated use and preferential treatment of an outsider such as Gotoda (Masaharu, Administrative Agency director), selected four times by Tanaka, despite his constant remark: "If you pour out sweat, you will be rewarded."

Fretting About Reconciliation Between Tanaka and Nikaido.

Through the reconciliation between Tanaka and Nikaido, Tanaka's word of consolation to Nikaido, "(Nikaido's candidacy moves) were a year and a half too early; next comes your turn," became known, thus spurring Kanemaru's moves. At a 30 November meeting with Tanaka, Nikaido watched Tanaka's moves, saying: "What are you doing increasing the number of people? The faction is creaking. What are you going to do if the Tanaka faction becomes a castle built on sand? I will not do anything to kill you in your sleep. My calling attention to your mistakes is because I believe it to be in your best interests."

But on 5 December, at a restaurant in Akasaka, Tanaka met with Nikaido and a group of others, including Kazuo Tamaki, Takashi Sato, Shin Sakurai (all unaffiliated) and reaffirmed his support for Nikaido as "next in line." On the following day, the 6th, Kanemaru, at Nikaido's telephone request, met

secretly with him at the Executive Committee chairman's office in the Diet and heard directly from Nikaido the latter's request for "support for the future." "(With respect to the post-Nakasone period) if you are taking about Takeshita being in charge, that is all right, but if such is not the case, I am thinking of taking charge myself in a caretaker administration status. Kaku-san is supposedly saying 'Next comes you'....but."

Kanemaru's impatience over the "need to hurry Takeshita's rise" may perhaps have been reinforced by Nikaido's words.

On the other hand, in what may have been one of his favorite diversionary tactics, Tanaka hinted at "Miyazawa" as frontrunner for the post-Nakasone candidacy to other Tanaka faction officials and to officials of other factions. Of course, there was no mention of "Takeshita" by Tanaka. Thus, the moves toward the aforementioned conference of 19 December moved into gear.

On the afternoon of 20 December, Kanemaru invited Abe to a hotel room in the city and while revealing his plans for "actions hereafter" reaffirmed the goal of a strong alliance. All the preparations were now in order, and the GO signal was given.

The evening of 25 December. Meeting at a restaurant in Tsukiji, Tokyo, were Kanemaru, Takeshita, Hashimoto, Ozawa (Hajime), Maki Haneda (Tanaka faction, Business Bureau chief) and Kajiyama along with Matazo Kajiki (former director of the Environmental Agency) and Endo of the House of Councillors)--a total of 18, all told.

Kanemaru spoke first: "I want to ask you to nurture Takeshita. I have no intention of going against the boss (Tanaka), but this will probably be viewed as a flag raising (for a new faction) and there will undoubtedly be strong pressures. However, the flow of generational change cannot be stopped. I want you to feel like a single unified group with a common destiny and to work hard for success." He bowed his head.

Takeshita expressed his determination, saying: "I am offering myself in the service of the country." The eyes of the participants glistened with excitement.

While agreements such as "Tanaka's prior approval will be obtained" and "participation will be limited to Tanaka faction members" were discussed, the one essential point that could not be ignored prior to the startup was that "until the very last moment, all actions must be carried out in strictest secrecy."

As a standard for recruiting members, decisions were made that (1) the main emphasis will be directed to midlevel and young members; (2) outsiders will, as a rule, be excluded; and (3) we will not call on representatives of the Niigata constituency. On the evening of the 29th, Kanemaru, who had met secretly with Nakasone at a restaurant in Tsukiji, Tokyo, reportedly did not attempt to speak on this subject.

Along with the turn of the new year, while preparations were under way for the second meeting, the resignation of Kenji Fukunaga (speaker of the House of Representatives) became a reality. At that time Kanemaru already had a secret plan in mind to give the ceremonial post to "Nikaido, speaker of the House," and he had discussed the possibility with Nakasone. He had also sounded out Nikaido, and had come to the conclusion that there was a 50 - 50 chance that Nikaido would accept. However, Kanemaru's thought: "I am not going to mention this to Kaku-san because it is a foregone conclusion that he will squelch the plan." This was because he knew that Michio Watanabe (deputy secretary general) had on two occasions spoken to Tanaka about Nikaido in the speaker's position and had been told in terms of one syllable: No!

To what extent Watanabe was aware of the activities aimed at formation of the Soseikai or whether it had Nakasone's blessing is not known. However, Watanabe, who accompanied Nakasone on the latter's trip to Oceania (13th - 20th), put forward the "speaker of the House, Nikaido or possibly Suzuki" thesis, and Abe also indicated his thinking that it was a "possibility."

On the other side of the ocean, in Washington, D.C., on the 17th, Takeshita who was visiting the United States, juggled his schedule and met with Nikaido, at which time he sounded out the possibility of the latter's accepting the post of speaker of the House. It was all very natural for this to be portrayed as an "alliance play" (Suzuki faction officer). After returning to Japan, just before Fukunaga's resignation at noon on the 3d, Takeshita called Nikaido on the telephone with a last-minute attempt to sway Nikaido, saying: "You can still become prime minister and president after serving as speaker of the House, can't you?"

"If Nikaido is put on the shelf as speaker of the house, 'Tanaka's Nikaido trump card' will be lost and Suzuki will be unable to make any unexpected moves. If, by chance Nikaido accepts, it will be a great coup. Even if unsuccessful, it will still serve to show the strength of the wave of generational change. Above all, it will serve to make stronger the effectiveness of Takeshita's flag raising."

There is no question that such thoughts crossed Kanemaru's mind. That is exactly why "the ulterior motives are too clearly visible" (Tanaka faction, Norikazu Okuda) and this probably caused Tanaka to say "I won't let them do such a stupid thing."

As predicted, the speaker of the House problem came down to Michita Sakata (unaffiliated) with Nikaido's steadfast refusal. At the same time, Kenzaburo Hara (Nakasone faction), who was supported by Tanaka, faced the grief of abandoning his own hopes, so the result was another display of the reduction of Tanaka's authority.

Entrusted to a Song ... "Within My Heart"

On the evening of 23 January, when the question of the speaker's post was

settled, 25 persons said to represent the core of the Soseikai assembled at the restaurant in Tsukiji, Tokyo. The increase in Upper House members, compared to the previous gathering, was apparent. One of the participants recalls: "When I arrived, it was already a sea of flames (from excitement)." After source studies and dictionaries had been consulted, 10 or so names were selected and discussed. However, at Kajiyama's suggestion that "Takeshita's support organ "SOSEI should be us as is," the name "Soseikai" was formally adopted unanimously.

Now, whether all of those who assembled that day were really there "for Takeshita's benefit" is questionable. In fact, Yoshio Inous threw cold water on the situation, saying: "I am indebted to Nikaido-san. If I were pressed now to choose between Takeshita and Nikaido, I would have to say Nikaido." And he did not attend the group's inaugural ceremony 2 days later.

On the 24th, at the spring general meeting of the Tanaka faction held at a hotel in town, the Soseikai members acted normally, as if nothing out of the ordinary was happening. Following on the heels of Tanaka, who in rare good humor sang two songs, Takeshita sang a song he had penned some 10 years earlier in which he had expressed his dreams for the premiership and presidency. It was entitled "In 10 years Takeshita-san...". There was a moment of tension in the air. Tanaka's expression, which he covered with a forced smile, caught the eyes of those around him.

The signature campaign for membership began on the 25th in secret. The core members each took several candidates and under the guise of "study sessions" gradually explained their theories, but due to the increasing possibility of "intelligence leakage," a sense of danger began building on Takeshita's side.

In response to Kanemaru's words of caution, "Hurry up and get Kaku-san's prior approval," Takeshita, who along with Tanaka had attended the funeral of former Osaka Governor Sato, indicated his desire to meet Tanaka at the latter's home immediately after returning to Tokyo. That same evening, Takeshita went directly from the Tokyo station to Tanaka's home and knocked on the door.

Takeshita: "I want to start holding policy study meetings in the near future. It is not a move to form a faction within the faction. I also want to expand my support organization."

Tanaka: "I understand. Since you are calling them study sessions, the group must not be in the form of an Inamonkai (group of graduates from Waseda University). Think about your electorate and keep your horizons wide."

After this conversation, Takeshita, who had now obtained Tanaka's blessings, telephoned to Nikaido, who was at his home in Kagoshima. Nikaido also encouraged him, saying: "Go ahead. You don't have to be concerned about anyone like me."

Whether it was because it was such an unexpected move or whether Takeshita's

explanations were glossed over with whitewash and did not address the real issue, Tanaka's reaction was hollow.

But in Tanaka's thinking, there is always a "front side and a back side" residing jointly. What started out at first as "I won't stand for any rebellion" changed to a version that came out "If it is a study session, that will be all right. Work with wide vision." But hidden in these words it would be correct to interpret Tanaka as saying that if he sensed any indication of a rebellion, he would crush such a move instantly. This would eventually become a reality....

[Boxed portion on page 34] Noboru Takeshita's Money
Sources and Organization

"When the time for a showdown is at hand, stockpiling of funds is most important"--it was about the spring of 1984 that Takeshita's guardian, Kanemaru, voiced this encouragement to him. And Zenko Suzuki pointed out: "Takeshita's funds must be awesome now."

The political funds report for 1984 submitted to the Local Autonomy Agency is currently being totalled, but in the 1983 report that was made public in September of last year, five political organizations, including the "New Industrial Research Society," provided Takeshita with a total of 831 million yen. Among the new leaders, he stands second, following Abe's 991 million yen, and surpassing Miyazawa's 720 million yen. Takeshita's main funding sources are unquestionably the civil and construction industries, but a Suzuki faction officer says, "Recently there have been major contributors among the securities firms," and a midlevel Komoto faction member adds, "He also has the breweries industry in his pocket."

Furthermore, in Takeshita's case, the amount of funds he passes on to the Tanaka faction (Thursday Club) outstrips all others. The leader, Tanaka, has recently started passing funds directly to Dietmen of his faction, although the organization is actually structured so that the officials of the faction pay funds into the political funding organ of the Thursday Club, the "Second Day Society." These funds are then distributed to the gatherings of the midlevel and young members such as the "Seventh Day Society" or the House of Councillors "Fifth Day Society." Incidentally, in 1983, Takeshita paid in 215.6 million yen. Kanemaru paid in 68.6 million yen, and Ezaki 53.6 million yen...reportedly. In addition, Takeshita has distributed 160 million yen to other Dietmen, including those of other factions, attesting to the breadth of his personnel contacts. The Political Funds Report covers so-called receipted money. The true amount of funds transferred "is lost in the woods" (a person connected with the LDP).

On the other hand, Takeshita devotes more energy than any of the others to nurturing local support organizations. Already, he has a organizational structure that covers 34 prefectures nationwide. Compared to Miyazawa's 21, and Abe's 10, he is by far the leader. There is no question that this is all aimed at consolidating local organizations and personnel as well as funds for the presidential primary elections. This year it is expected that Takeshita support organizations will open in Tokyo, Fukushima and Iwate Prefectures.

The only area in which Takeshita lags in comparison to the other new leaders is in experience in major party and cabinet posts. Abe has held the post of Policy Research Committee chairman, one of the top three LDP posts, as well as the posts of foreign minister, MITI minister and chief cabinet secretary. Miyazawa, in addition to the Executive Board chairmanship has held the posts of foreign minister, MITI minister and chief cabinet secretary. Takeshita, even though he has the most or second most effective Diet countermeasures power, has never held any of the top three LDP posts. He has only been deputy secretary general and National Organization Committee chairman. Of the major cabinet posts, he has been only finance minister (4 terms) and chief cabinet secretary (2 terms).

3. That Day, Offense and Defense Were at a Peak

A new day, the 28th. To the Tanaka faction members who came charging in to the Tanaka faction offices after learning of Takeshita's moves through the newspapers, Tanaka repeated the following: "The Tanaka faction is the core of the LDP; we must all study much more. More and more study sessions should be held. It is all right if you fellows start your own study groups."

On the night of the 29th, at a discussion group of first and second termers, in reply to questions, Tanaka not only affirmed "All of you, join in the group," but he added: "I am also going to take up public housing legislation and revision of farm land legislation myself. When that time comes, sign up. The consolidated bullet train will proceed with the determination not to be derailed." Thus he indicated his strong support for policy studies.

Tanaka's intention probably was to buy time in order to regroup through a two-pronged attack by promoting a mass influx into Takeshita's study groups, thus diluting his support, and at the same time by advocating support for study groups he was clearly letting it be known that he "would not tolerate a faction within the faction."

While saying "Go ahead, join," the fact that Tanaka was not serene can be judged from his reactions to a meeting with Tsunezo Watabe on the 25th at noon.

Watabe: "In order not to allow the formation of a faction within the faction, I too will join, but I think you should have Tanaka Naoki-kun (Tanaka's son-in-law) join."

Tanaka's facial features suddenly changed.

"Just what are you looking at? Why do I have to put Naoki into Takeshita's group? It is out of the question! It is no good! Go home!"

Sensing this inner feeling of Tanaka, Takeshita's guardian, Kanemaru, deciding to appease Tanaka, called on Tanaka at the latter's office in Itopia. The intention was to tell him: "There is no intention to kill the boss in his sleep." But Tanaka was not in. And in his place, Akira Sato (secretary), who knew Tanaka's inner thoughts well, poured out his complaints.

"You should have talked to us a bit more in advance."

Kanemaru, with a blank look responded severely: "Kaku-san (nickname-Mejiro) is a person perched in a high place (bird) so it was probably hard for Takeshita to come to see him."

On the 30th, the tide changed. That morning, at the Thursday Club office on the Third Floor of the Sabo Kaikan Annex, 36 of the 46 members assembled and the 7th Day Society (those elected less than six times) convened.

Seiroku Kajiyama stood.

"This study group idea has the blessing of former Prime Minister Tanaka as well as Chairman Nikaido, so we should like to work on a broad scale." As voices of "agree" rose, Morikazu Okuda, Tasaburo Doi, Shinji Sato, Riko Inamura--all Tanaka direct-line Dietmen--voiced their thoughts.

"This situation does not sit right. The Tanaka faction was supposed to have been an open, positive group, but its way of doing things now is shrouded in secrecy."

"The Thursday Club exists only because of Tanaka. Isn't this a way of causing injury to Tanaka?"

"Because it is Takeshita who is going to hold the study sessions, the explanation that it is only a study group does not hold water."

With the mediation of Shigeyoshi Saito, chairman of the 7th Day Society, the situation was salvaged, but the unexpected result of this meeting was a split between those who attended the 23 January meeting and those who did not.

A Turnabout in Tanaka's Strategy, Toward Tighter Control

During this time, information poured in to Tanaka, and gradually the entire picture of what the "Soseikai" was all about became clear. What particularly touched a sensitive nerve in Tanaka was the information that "a great many of those indicating a desire to join were being given funds in blocs of 1 million yen units." Tanaka knew better than Takeshita the fascination of money and because of that Tanaka's anger increased.

"Takeshita talked only whitewash, but in fact he carried out his activities in secret, even to the point of distributing money. This is nothing but the creation of a new faction. Just who does Takeshita think he is indebted to for the finance minister's post he has held for four terms? What he is doing is 10 years too early. I will not let him do anything more than actually study policies."

The rollback at the 7th Day Society meeting by Okuda and others was based on the awareness of such intentions of Tanaka.

That evening, Tanaka, who attended a meeting to encourage the Tanaka faction members of the House of Councillors, contacted Masaharu Gotoda (Administrative Management Agency director) and said:

"Kanemaru is a wedge (gold club). He thinks that the ball will fly up as long as you blast it with the club." "Well, the ball (Takeshita) will not get to the hole (political administration) that easily. Politics is not such a naive sport."

Tanaka had started his counterattack in earnest.

That day, Zenko Suzuki revealed his thinking: "It is similar to the time of the Sato faction split." He compared the 23 January Takeshita group incident to one in May 1972 in the final period of the Sato administration when almost two-thirds of the Sato faction members assembled at a restaurant in the Yanagibashi area, and the result was the de facto formation of the Tanaka faction.

But Tanaka's feelings were different.

"I served 7 years and 8 months under Sato, and when Sato said he was not going to run again, that is when I began my moves. I am in the midst of a battle in which I am devoting my entire energy to clearing my name, am I not? The circumstances are completely different."

Tanaka's two-pronged strategy--to weaken Takeshita's influence by expanding the study groups and to guard against the formation of a "faction within the faction"--came to an end. The morning of 1 February. At a conference with Nikaido at Tanaka's home in Mejirodai, Tanaka made a turnabout in his strategy. It was clearly aimed at controlling the Soseikai activities.

It was Nikaido who had led the "Banzai" toast to Tanaka, who had welcomed him back into his good graces with the words, "Friendship, solidarity and trust are very important." This was spoken before the "Sakai kai," a group of Tanaka faction former cabinet members, on 30 November the previous year.

The relationship between these two had now passed the 3 months mark. They had become reconciled because they had lost as well as gained in the process. The "Nikaido card" came another step closer to reality because of the 10 years of pent-up feeling within the faction over the policy of not putting up one of their own as a candidate for the prime ministership and presidency and the attempt to stop the generational change.

Nikaido, who had been the recipient of Tanaka's words, said at an afternoon general meeting of the Thursday Club: "It is all well and good to study with Takeshita at the core, but the Thursday Club is a group centered around Tanaka; I don't want you to forget that." At the same time, with respect to the concept, "Let us create a Nikaido group to counter the Takeshita group" put forth by the political "fixer" Toshikazu Fukke along with Raizo Matsuno and Kazuo Tamaki, he emphatically added: "I do not recognize nor do I have any such intention." The need no longer existed.

After this, Nikaido moved with vigor. At this time, whether due to Tanaka's encouragement, "It is good for you to join," or whether the speculative motivations of Dietmen "to buy futures shares" were operative, the fact is that Soseikai membership applications surpassed the 88 persons mark. This represented two-thirds of the 120 members of the Tanaka faction (2 more joined on 21 February to make the total 122) and was comparable to the Suzuki faction, which was the second largest faction in the party.

By making a brilliant debut, world attention was likely to lean toward Takeshita, so Nikaido conferred with Deputy Chairman Masumi Ezaki, business manager Torao Ozawa and official Motoi Tamura, and during a forum for former cabinet ministers on the 4th, he began negotiations with the Soseikai. Among the "old boys" of the cabinet, those with connections with the Soseikai represented a definite minority. The thrust of the discussions was a foregone conclusion, and a situation was set up whereby the core group of the Soseikai would, under certain circumstances, possibly be forced to make a final decision.

Sparks Fly in the Struggle for Members

In the midst of all this, Nikaido urged Kanemaru: "Proceed in a friendly manner. After all, have we not all eaten from the same bowl of rice." On the other hand, Gotoda, said to be the closest of Tanaka's close aides, said: "The anticipation of the public may be great, but things do not always work out according to plan. If they are a study group, there is nothing wrong, but a faction within the faction is not a good thing." Thus, he revealed that Tanaka had already decided that the Soseikai was a faction within the faction. Ozawa (Torao), who was already discussing damage control

measures with Takeshita, suggested that (1) the inaugural site be changed from the hotel, where reservations were already confirmed, to the Thursday Club offices; (2) the participants be limited to a nominal 30 - 40 persons; (3) the name "Soseikai" be changed because of the resistance it generated; and (4) action within the faction against Takeshita be considered. Already, under the surface, various moves were being directed by the Tanaka side against participants in the Soseikai, and agitation was increasing.

"From the outset, I did not intend to create an issue with the boss (Tanaka). By declaring my name, one phase of my objective was achieved. Ruffling the waters will result in no good at all."

Takeshita generally accepted all of Ozawa's suggestions, with the exception of the point referring to the name change for the Soseikai, which he claimed "was the result of a great deal of study."

The 2nd. Nikaido and Kanemaru joined in a meeting with four others, and Ozawa, after reconfirming Takeshita's agreement, even discussed the possibility of Nikaido attending the inaugural celebration as an honored guest to give the sense of reestablishing the Soseikai as purely a study group. The situation appeared headed for reconciliation.

However, on the morning of the 4th, Nikaido visited the Mejirodai home of Tanaka and found Tanaka's reply to be an unfavorable one.

Nikaido: "Agreement has been reached. On this occasion, because of Takeshita's actions, I want to conduct a faction personnel reshuffle."

Tanaka: "That is not for me to determine. That is for you to handle."

To Nikaido, who had previous experience as a cabinet minister and who had come to discuss with Tanaka whether or not he should attend the ceremonies, Tanaka said: "You have been a minister yourself, so you can stand on your own feet. You can dance by yourself, can't you?" The meaning of Tanaka's response was: "Don't make me say no to every little thing." If we go on this assumption, "Takeshita's actions are unacceptable." With this response, the reconciliation plans of the 2d went up in flames. A four-man conference took place that night in secret, and as a result, the agreement on "an appropriate number of 30 -40 persons" went back to ground zero and agreement was reached that "participation will be unchecked." This meant that "recruiting" as well as subverting would be a free-for-all.

The Tanaka side affirmed: "He is livid with rage. It is like Taira-no-kiyomori with a bad case of typhoid." "Make all those who attend the inaugural ceremony pay for their actions. I'll never let them cross my threshold again."

The Soseikai, on the other hand, was saying: "We are the ones who are closer to Kaku-san. The officials are the ones who are alienating themselves from him."

While this shower of sparks was coming from the fierce words uttered by both sides, the attacking and regrouping, the one step forward and one back, went on until the emergency general meeting of the Thursday Club was convened at noon on the 6th.

"This sort of disorder among the Tanaka faction must never be allowed to happen again. Tanaka sensei is also thinking of resisting with extreme severity."

While joining the Soseikai was left up to "the decision of the individual," these severe words and glare showed all too well the desire to put the brakes on attempts to join the Soseikai.

At nightfall, Nikaido attended a meeting of the "Kyushu 7th Day Society," where he said in warning: "I have never been scolded by the boss as severely as I have been today. I want you to move with care."

At about the same time, on the 20th floor of the Akasaka Prince Hotel, located near the Sabo Kaikan where the Thursday Club has its offices, the "Strategy Headquarters" of the Soseikai was established. In order to prevent Tanaka's side from steering away prospective members, the core group of the Soseikai telephoned expected participants of the inaugural meeting to reconfirm their intentions to attend. "With only 20-30 persons, our side will be crushed." In an atmosphere of desperation, Kanemaru muttered: "Shall I go to Mejiro?"

"If you do, the only thing that will result is that you will be forced to accept a poor compromise," the core members said, fiercely resisting. "Well, I guess you are right at that," Kanemaru agreed. Perhaps Kanemaru had merely been testing the resolve of the core members.

The shoving and pulling continued until 7 am on the 7th. At 8 am, those attending the Soseikai inaugural numbered exactly 40, the last line of defense.

4. The Rains Came and the Cracks Deepened

40-man Pyramid Type

Tanaka is reported to have said grumblingly, or, perhaps with deep-seated anger, that this movement had "rounded up everyone who could not have severed their ties with me." Those who became the nucleus of the Takeshita group were Haneda, Ichiro Ozawa, Seiroku Kajiyama. They had all been hardworking first termers when Tanaka formed his own faction. In addition, persons, including Ryutaro Hashimoto, were viewed by the Tanaka side as "certain." But even then--and this could be said of any of the others--there was no "anti-Tanaka" sentiment among them. They considered: "We are much more pro-Tanaka than the outside official who supported Nikaido's candidacy moves." However, they were people who were committed emotionally to generational change. Tsunezo Watabe, who was the last to make up his

mind, the self-declared "chief cabinet secretary of the Takeshita cabinet."

The Soseikai organization is a pyramid type. It is composed of many young members who have had relatively short careers as elected officials and who for the most part, since the Lockheed incident when Tanaka withdrew from active direction of faction and election activities, have been under the practical guidance and philosophical care of Takeshita, who has led the faction. Of course, they are indebted to Tanaka also, but they have had little daily contact with the boss and have been more strongly allied to Takeshita. In the case of midlevel member Shinjiro Yamamura, his entry into the Tanaka faction was at the invitation of Takeshita.

On the other hand, Kanemaru's connections have been with Kensuki Hori from the time he entered politics, because Kanemaru had had friendly relations with his deceased father, Shigeru Hori. Another whose connections are due to his father's relations with Kanemaru is Ei Nakajima, and of course, close aide Keizo Obuchi.

The House of Councillors, compared to the House of Representatives, has a weak election machine, particularly in the proportional representation districts. They are so weak that a slight change in emphasis could easily result in a change in standings on the roster. So, with Tanaka's concentrated raids, what was initially estimated to be about 30 persons was reduced to a mere 11. Among these, Matazo Kajiki and Yo Endo, both veteran politicians, are close to Kanemaru because of their activities in the Dietmen's League and the Diet steering group. Taro Nakamura and Tetsuo Shimura are from Kanemaru's constituency in Yamanashi and are considered to have a direct line to Kanemaru.

Another characteristic is that there is a high proportion of construction industry related Dietmen, who are said to have been a powerful funding source for Tanaka.

In addition to Takao Kameoka who is a former construction minister, Yasuharu Masuoka, Ko Inouye, Takashi Tahara, Tai Shiojima, and Yoshinari Norot are all "old boys" of the Construction Ministry. Kezo Muraoka and Tsukasa Nishida are members of the construction group.

Reconciliation ... Then What?

The moves toward reconciliation began to surface on the 9th, and on the 13th Takeshita and other Soseikai officers called on Tanaka at his residence with an "apology." The matter seemed to have been resolved for the time being. However, as Zenko Suzuki has pointed out, the situation was really that only "a bandage had been applied over the wound." In the series of events that took place, the Soseikai side inevitably judged that: "As long as the Lockheed trials continue, Kaku-san has no intention of acquiescing to a generational change." The Tanaka side, ever since Chairman Nikaido's operation, had no alternative but to suspect and conclude that with Shintaro

Abe (foreign minister) maneuvering as he was, "the Soseikai is the framework for a generational change which includes factional restructuring." From this point of view, the Kanemaru-Miyazawa meeting which took place on the 8th, immediately after the start of the Soseikai, can be seen as one of Kanemaru's moves to bring in new leaders.

The consensus within the party is that the antagonism within the Tanaka faction was only put off for a while. In the fall cabinet reorganization - party personnel shifts or perhaps in the next general elections or the upper house election, the question is how much pressure will be exerted by Tanaka, and in such a situation, will there be a tug of war with Nakasone as the focal point? Furthermore, will there be an attempt to cut down the Soseikai membership before these events take place? What will be the moves of Zenko Suzuki and Takeo Fukuda, who represent the older generation? At that time how will Tanaka use the Nikaido trump card? The establishment of the Soseikai will not remain just a Tanaka faction problem, but will inevitably reach every nook and cranny of the entire political arena hereafter.

One thing for certain is that in the presidential election, which will be held at the latest next fall, Takeshita will probably indicate his intention to run. Tanaka, unheeding of the dissatisfaction in his faction, appears already to have embarked on an expansion policy and will definitely not just sit and wait on the sidelines.

5. The Path of the Political Drama

The Wave of Generational Change

On the afternoon of 10 February, Takeshita and Shintaro Abe met at the Citizen's Hall in Shirakawa city, Fukushima Prefecture. An audience of approximately 1,000 listened to each of these men, who had come to support their favorites in the Fukushima prefectural upper house byelections.

Abe proceeded first to the podium and gave a rally speech. "Following me, the man of the hour will appear. He (Takeshita) and I entered politics at the same time in 1958, and we were both 34 when elected for the first time. At that time there were many great men around and we were at the bottom of the ladder. But, we thought, these people will eventually die or retire and we might possibly become prime minister or president. When that time comes, we said let us decide by playing Janken [rock, scissors, paper] -- such was our relationship."

"I am very happy that Takeshita-kun formed the Soseikai. I want us to compete with each other and thus bring about new vitality to the LDP. Holding hands and competing with each other, I am intent on doing my utmost for the good of Japan's future."

At this point, "the man of the hour," Takeshita, took the podium amid applause. As an address given at a time when the aftereffects of the Soseikai

incident were still rumbling, his remarks were carefully phrased. However, amid the jests his aspirations to be "next" were evident.

"I have always harbored an inferiority complex with respect to Nasasone-san and Abe-san. This is in the matter of height. Nakasone-san is 176 cm tall and Abe-san is 178 cm in height. I am 164.5 cm tall. Both of them can shake hands with foreigners on an equal basis, but I must always look up."

While speaking of a feeling of inferiority, within Takeshita's mind must have been flitting scenes of "Prime Minister Takeshita" shaking hands with leaders of other governments at international affairs such as summits.

The reason the establishment of the Soseikai had such a strong impact on the LDP, and eventually on the entire political scene, was not only because it indicated the fissures in the Tanaka army, but because it clearly brought to reality the large wave of the times, generational change. One characteristic of the recent drama was the cooperative activity between Abe and Takeshita in the process leading up to the formation of the Soseikai.

Regarding the formation of the Soseikai, which even Tanaka had not expected, Abe says: "I knew about it as of the end of last year" (sources close to Abe). On the afternoon of 20 December, Abe had met with Kanemaru at a hotel in town. The sources close to Abe affirm that at this meeting Abe was told of the Soseikai moves by Kanemaru. As if to substantiate this, at the end of last year Abe told his close supporters: "Next year some big things are going to happen." Even after Takeshita's moves surfaced, Abe made statements supporting Takeshita's "courageous moves" and was rebuked by his father-in-law, Kishi (Shinsuke, former prime minister): "Don't get too frisky."

Will This Be the End of the Grudge Era?

For the past 10 years or so, Takeshita and Abe have lived under the "Kaku-Fuku standoff." As Tanaka's existence represents a weight over Takeshita's head, Fukuda's (Takeo, former prime minister) existence is a burden to Abe. After running for election in the presidential elections in 1982, and, even though having achieved this position, in the Fukuda faction (Seiwakai), he was still "deputy chairman." He was in no position to override Chairman Fukuda's intentions.

At the Shirakawa speech, the reason for revealing that in the past Abe and Takeshita had discussed playing Janken to determine which would be prime minister first was not only to show how friendly they were with each other. Their intention was to tell the world that they would not settle their wars by washing blood with blood, as was the case with Kaku-Fuku, and in addition they wanted to put forward the idea that they hoped the grudge era of Kaku-Fuki would depart quickly.

Substantive moves for generational change, as indicated earlier, were taken 5 years previously. Following the "40-day struggle" between Ohira and

Fukuda in 1979 and the antimainstream Fukuda-Miki factions revolt centering on the no-confidence motion against the Ohira cabinet in 1980, the confrontation between Tanaka, Ohira, Fukuda, Miki and Nakasone of the older generation reached a peak. When the nation was plunged into the Lower and Upper House double elections, Abe, Takeshita, Kanemaru and Kaifu (Toshiki, Komoto faction) of the new generation, with the then nonfactionally aligned House of Councillors member Kazuo Tamaki (currently a member of the Lower House) as the focal point, planned the formation of "a new leaders society" with an eye to generational change. The phrase "new leader" was coined at that time. Their motto was "From the grudge era to the era of the young."

After entering the double elections, however, Ohira died suddenly, and with the resounding victory of the LDP in the elections, the post-Ohira era was represented by Zenko Suzuki of the older generation who advocated "politics of harmony," and the mood for generational change suddenly withered.

The moves for generation change revived in the presidential elections of 1982, following Suzuki's retirement. Abe was a candidate, Nakagawa (Ichiro) was a candidate, and in the Tanaka faction there was a move to put up Takeshita as a candidate, but because Tanaka decided on "support for Nakasone", the Takeshita candidacy ended in failure. Subsequently, Nakasone won by a landslide and Nakagawa committed suicide (January 1983), so the new generation group again unavoidably had to retreat.

Takeshita's flag raising was the proverbial "success on the third try." Now, at last.... Furthermore, Takeshita's rise from the hardest of rock formations, the Tanaka faction, has had an unprecedented impact.

On the trip back from Shirakawa on the Tohoku Bullet Train, Abe carried two one-cup bottles of sake and sat next to Takeshita. They continued talking even after changing to the relay train at Omiya. Within the desultory conversation about election conditions in the various electorates, the scenario of an "Abe-Takeshita joint new leaders' administration" was written in the minds of these two.

The Elders Increase Their Precautions

On 6 February, the night prior to his flag raising, while receiving lateral support from Abe, Takeshita frantically warded off Tanaka's infiltration moves in the fierce tug of war to gain participants for the Soseikai. At a restaurant in Nagata cho, near the Diet building, Zenko Suzuki had gathered together 14 of his Kochi Kai (Suzuki faction) members who had been through less than three elections and convened a "Wednesday meeting." With Kiichi Miyazawa (General Affairs chairman) at his side, he said: "Let us not be concerned about the Soseikai. Let us all proceed single-mindedly together. Disturbances in friendly factions are dangerous. In our faction, we should positively exchange views and understand each other's feelings; let us conduct free and broadminded discussions."

Suzuki was reacting with sensitivity to Takeshita's moves. Therefore, the wave for generational change would not stop here. It would rattle the framework of existing factions and eventually lead to factional reorganizations.

Information had reached Suzuki's ears that may well have substantiated his fears. Immediately after Takeshita's moves regarding the Soseikai had been reported in the press, Suzuki told some of his close aides: "Reportedly Kaifu-kun of the Komoto faction, along with some of his faction members, will join forces with Takeshita." There was also some information to the effect that Takeshita's hand was extended to members of the Suzuki faction as well. Suzuki also mentioned this: "Kaku-san was overconfident of his power; I guess he did not have the right information reaching him. I had heard (of Takeshita's moves) a week before the fact from sources in the Kansai.

As one element of his flag raising efforts, since the end of the year Takeshita had quietly circulated a subscription book among the large industries in Tokyo and Osaka asking for "your financial support, inasmuch as I am starting a study group." The thrust was totally: "It is strictly a study group such as those being conducted by others." However, the Kansai economic figures who sensed what Takeshita's true intentions were apparently told Suzuki about the moves.

Suzuki Faction Fearful of Efforts to Crush Miyazawa

There was strong determination in Suzuki's voice as he asserted that he would not allow his underpinnings to be shaken as Tanaka's were. At the same time, Suzuki understood why the midlevel members like Takeshita and the younger group chose to "rebel." As the Tanaka faction ballooned to enormous size and as Tanaka tried to hold the faction together by force, the atmosphere within the faction became stagnant and the competition to gain Tanaka's favor created suspicions on the part of everyone. The call for "factional unity" and "understanding of feelings within the faction" and the self-discipline to refrain from "overconfidence in power" were indications of Suzuki's intention to remain influential as the largest faction leader following the Tanaka faction.

One other thing that Suzuki is wary of is an effort to crush Miyazawa following in the aftermath of the "Abe-Takeshita alliance." The common strategy binding Abe and Takeshita together is aimed at establishing their administration in one fell swoop after Nakasone. If an interim measure such as a Nikaido caretaker administration should be formed as a result of discussions among the elders, the cue call for these two would be delayed, and furthermore, if anything such as a Miyazawa administration were to be established in the process, the Abe-Takeshita administration would be even further delayed in forming. Last fall, on the occasion of the Nikaido candidacy incident, Kanemaru's attempt to quell this concept and Abe's adamant opposition probably were based on their fear of the scenario of a Nikaido caretaker administration being followed by a Miyazawa administration. Seen from their viewpoint, a Nikaido

administration and a Miyazawa administration both come out as extensions of the control of politics by the elders.

That is why, to Suzuki, the instigator of the Nikaido candidacy moves, the objectives of Abe and Takeshita are all too clear.

"That is why I told Kaku-san when I did. If he had only accepted my plan, matters would not have turned out as they have." The restiveness in the Tanaka faction has reached as far as Suzuki's own feet. If the generational change package of Abe and Takeshita is left unhindered, not only will Tanaka's credibility be lowered but it could well threaten Suzuki's own position.

Chain Reactions Not Welcome

Fukuda and Suzuki, who occupy adjacent seats in the House of Representatives chambers, exchanged the following remarks:

Fukuda: "How is the Soseikai move going?"

Suzuki: "It has become a big problem. It is just as we feared."

Like Suzuki, Fukuda is not at all calm inwardly. To Fukuda, who is passionate in his fight against "Tanaka control," the cracks within the Tanaka army represent an ideal opportunity. However, if this does not stop with just shaking up the Tanaka faction, it will mean a generational change to the Abe-Takeshita era, and if it progresses further to mass factional reorganizations, Fukuda's own position will be affected. Fukuda is particularly concerned about the adversarial attitude shown by Abe in that Abe, who had known of Takeshita's moves since the end of the year, and had even made some moves toward alliance, had not reported a single word to him.

On the morning of 18 February, Fukuda sped by car to the home of Miki (Takeo, former prime minister) located in Nampeidai, Tokyo. Fukuda explained away this visit as "a New Year's greeting, 1 month delayed," but to Suzuki: "I think he went to tell Miki to make sure Komoto remains solidly in his camp."

Within the wave of generational change, Komoto's (Toshio, state minister) chances for a role are getting slimmer every day. In addition, the Sanko Steamship Lines is in a depressed state. As Suzuki's information indicated, Kaifu of the Komoto faction is leaning more toward Takeshita.

In the post-Nakasone turmoil, if Takeshita decides to run for the presidency, "the Komoto faction will become the grass-moving area" (official of the Suzuki faction). If the Komoto faction falls into a state of disarray, the pace of factional reorganizations will pick up immediately. If this comes to pass, Tanaka, Suzuki and Fukuda will all be swept off their feet by the swift current of the change in generations. For those elders who are called powerful persons, the issue of factional

solidarity in any faction represents the highest common denominator.

Cooperative Defense

The elders are not the only ones who have had their foundations shaken. The Takeshita Soseikai made a direct hit on the foundations of the Nakasone administration. If the Takeshita group had been small in number, it might have been construed as a boon for Nakasone. While the support of the rock-like solidarity of the Tanaka faction was an absolutely essential condition for Nakasone, the appearance of too much "Tanaka control" was not appreciated from the standpoint of image. With the Takeshita group shaking up Tanaka and with Tanaka preoccupied with guarding against Takeshita, Tanaka's pressure on the Nakasone administration would diminish, and in the process, the overall strength of the Nakasone administration would increase.

An appropriate sized rebellion by Takeshita would thus become a "buffer zone" for avoiding Tanaka's pressure.

However, Takeshita managed to get 40 persons, and in the process he had such a fierce battle with Tanaka that the disintegration of the Tanaka faction was almost brought about. This suddenly changed the entire picture. As Secretary General Kanemaru controls the party mechanism, there is a need for a Kanemaru-Takeshita line of cooperation to manage party affairs smoothly, but if too much emphasis were placed on maintaining good relations in this respect, the Tanaka anger currently directed toward Takeshita would turn on Nakasone. On the other hand, for Nakasone to adopt an attitude of total support for Tanaka would only alienate Kanemaru and Takeshita.

The Basic Strategy of the Nakasone Faction

Nakasone's basic strategy, with the rock solid support of the Tanaka faction and if all goes well, is aimed at a third term, and if this cannot be accomplished, completion of the current term up to the fall of 1986 with sufficient power remaining to "pass the torch to the next generation" (administration policy speech). "Even after leaving the post of prime minister I will play a role as the second kingmaker" (official of the Nakasone faction). But with Takeshita's flag raising on his 40-member Soseikai, the result has been a terribly distressing situation of pressure from both the Tanaka and the Takeshita camps.

Nakasone's agitation can be inferred from his 1 February anticipatory speech indicating that "the Tanaka faction will probably rally round former Prime Minister Tanaka" and the fact that he has maintained silence with respect to the Soseikai problem.

On 13 February Nakasone alluded to the subject. It was following the handshake to seal the mutual affirmation of "concentric circles" between

Tanaka and Takeshita. Nakasone said to Kanemaru, who had come to report this to him: "Please give Tanaka-san your solid support, because eventually you are going to be the mainstream." While seeking the "solidarity of the Tanaka faction," he was paying lipservice to Kanemaru of the generational change faction by alluding to "mainstream of the future." However, Nakasone was well aware that the Tanaka-Takeshita reconciliation represented only a temporary respite.

"The crucial point will be the fall party personnel reshuffles," say close aides of Nakasone with pained expressions. Tanaka will probably try to wrest the secretary general post from Kanemaru, and both Kanemaru and Takeshita will make desperate efforts to defend against this. Whatever action is taken is up to Nakasone alone, but on the decision at that time will rest the destiny of the Nakasone administration.

Also, it will not be sufficient just to be concerned with Tanaka and Takeshita. Watanabe (Michio, deputy secretary general) has met with Abe (9 February) and has attended study sessions of the Suzuki faction in a move to establish contacts with other factions. What is in the back of Watanabe's mind as he says to those around him, "If one has 20 persons helping him, he can do anything," is that upon Nakasone's retirement, he probably hopes to consolidate a position as a second-generation new leader by getting together some of the major officials of the Nakasone faction and a part of the Suzuki faction. If this should come to pass, Nakasone's dream of closet rule will be broken.

As for Nakasone, he has a very difficult decision to make. He must decide whether to make Tanaka his first priority, or to shift over to the generational change group. And, if the latter, will he choose Takeshita or Abe, or will it be Miyazawa?

With respect to the moves of the new generation group such as the "competitive coproduction" by Takeshita and Abe, the rebounding of Miyazawa's and Watanabe's following, the political map of the LDP has taken on a complexity heretofore unseen.

Abe, Takeshita, Miyazawa -- none of the three on his own has the power to establish an administration. If these three were to sit down, however, and talk in terms of a joint assault, the story would be different. If this were to happen, each in his own way would make various arrangements for cooperative defense.

Will Tanaka acknowledge Takeshita's candidacy? Will Nikaido run, or will he support Miyazawa with the ultimate objective of quashing Takeshita? Also, in laying the groundwork for governing after retirement, who will Nakasone consider to be his best option to support? And, finally, who will get the weakened Komoto faction? These are the points of discussion following Tanaka's hospitalization.

Tanaka Faction Members and Soseikai Members

House of Representatives

House of Councillors

	(Kakuei Tanaka	15)
	Masumi Ezaki	15
	Susumu Nikaido	13
**	Tokuro Adachi	12
	Hajime Tamura	11
	Ken Harada	11
*	Noboru Takeshita	10
	Tatsuo Ozawa	9
*	Takao Kameoka	9
*	Keizo Obuchi	8
*	Ryutaro Hashimoto	8
	Jushiro Komiyama	8
	Reiichi Takeuchi	8
	Eiichi Watanabe	8
	Hideo Utsumi	7
**	Joji Omura	7
	Yukiyasu Matsuno	7
	Noboru Minowa	7
	Ganri Yamashita	7
*	Shinjiro Yamamura	7
	Toshiyuki Inamura	6
*	Ichiro Ozawa	6
	Keiwa Okuda	6
	Tokusaburo Kosaka	6
	Megumu Sato	6
**	Moriyoshi Sato	6
	Shigeyoshi Saito	6
	Osamu Takatori	6
*	Tsutomu Hata	6
	Yoshiro Hayashi	6
	Sachio Yamamoto	6
**	Kozo Watabe	6
	Tamishuke Watanuki	6
	Koichiro Aino	5
	Motoharu Arima	5
*	Seiroku Kajiyama	5
	Okiharuru Yasuoka	5
	Kozo Watanabe	5
	Kazuo Aichi	4
	Masaharu Gotoda	4
	Saburo Iida	4
*	Kishiro Nakamura	4

	(Mutsuo Kimura	5)
	Masatoshi Tokunaga	5
	Minoru Ueda	4
	Minoru Genda	4
	Shoji Nishimura	4
	Yuji Osada	3
	Juro Saito	3
*	Matazo Kajiki	3
	Kikuzo Kawamoto	3
	Raishiro Koga	3
	Aiko Shimura	3
	Masataka Seko	3 (1)
	Tai Morishita	3
	Tatsuo Yamazaki	3
	Tokichi Abiko	2
***	Kichio Inoue	2
	Niro Iwakami	2
	Kaname Endo	2
	Yoshiko Otaka	2
	Hisaoki Kamei	2
	Shigenobu Sakano	2
**	Akiko Santo	2
*	Taro Nakamura	2
	Shin Hasegawa	2
	Isao Maeda	2
	Tomoo Iye	2
	Reijo Sugiyama	2
	Hirohisa Fujii	2
**	Masao Horie	2
**	Kaji Masuoka	2
**	Kanpii Matsuo	2
*	Takashi Inoue	1
	Hiroshi Oki	1
	Shinjun Oshiro	1 (1)
	Sotoo Oki	1
	Kiyoshi Kajihara	1
	Shinjiro Kawahara	1
	Masaaki Takagi	1
	Ken Naito	1
	Yukio Nakagawa	1
	Takao Fujil	1
	Sakae Fujita	1

	Joji Fukushima	4		Isao Matsuura	1
**	Kanezo Muraoka	4		Masaru Urata	1
	Takesaburo Yamasaki	4		Hoei Ohama	1
	Shinji Sato	3 (1)	*	Yutaka Okano	1
*	Takashi Tahara	3		Tsuruzo Kaieda	1
*	Mamoru Nakajima	3		Yutaka Takeyama	1
**	Eijiro Hata	3	***	Masuo Matsuoka	1
**	Kunio Hatoyama	3		Tsutomu Mizutani	1
	Hatime Funada	3		Hiroshi Miyajima	1
*	Kosuke Hori	3		Toshihiko Yano	1
	Fumio Kyuma	2		Hiroshi Yoshikawa	1
**	Riichiro Chikaoka	2		Yoshio Yoshikawa	1
*	Hiromu Nonaka	2	*	Tetsuro Shimura	1
*	Wahei Enomoto	1			
	Hiroshi Kumagai	1 (1)			
*	Dai Shiosima	1			
	Naoki Tanaka	1			
**	Shinya Totsuka	1			
**	Seiji Nakamura	1			
	Toshihiro Nikai	1			
*	Fukushiro Nukaga	1			
**	Hosei Norota	1			
**	Kozo Hirabayashi	1			
	Keisuke Nakanishi	3			

Note 1. Kakuei Tanaka and Mutsuo Kimura are members of the Thursday Club but are factionally unaffiliated. The () for times elected to House of Representatives and House of Councillors. These include Ryu Yamazaki and Kumagaya, both of whom joined after the inception of the Soseikai.

Note 2. * Attended inauguration of the Soseikai and attended the preparatory meeting of 23 January.
 ** Joined at the time of the inauguration of the Soseikai.
 *** Attended the 23 January meeting but did not join the Soseikai.

9980

CSO: 4105/228

POLITICAL AND SOCIOLOGICAL

UNION CHAIRMAN SPEAKS AT ILO COMMITTEE SESSION

OW110215 Tokyo KYODO in English 0156 GMT 11 Jun 85

[Text] Geneva, 10 Jun (KYODO)--The International Labor Organization (ILO) Monday entered full-scale deliberations in its annual international labor conference here which opened last Thursday and will run until 27 June.

Yasuo Maruyama, chairman of the All-Japan Prefectural and Municipal Workers' Union, speaking in a committee session, complained of Japan's poor record in ratifying treaties.

One point of interest at the conference, the ILO's supreme deliberative body, will be whether to deliberate a question over the right to organize Japanese firemen.

The Japanese delegation is working on the ILO to deliberate the question at the conference.

Also at issue is whether the Soviet Union or East European nations will propose a motion to the ILO in connection with Poland's secession from the body last autumn.

With this year marking the end of the United Nations Decade for Women, the conference will also discuss equal opportunities and treatment for men and women in the field of employment.

CSO: 4100/601

POLITICAL AND SOCIOLOGICAL

SUGIURA TO SUCCEED NISUGI AS JNR PRESIDENT

OW211215 Tokyo KYODO in English 1202 GMT 21 Jun 85

[Text] Tokyo, 21 Jun (KYODO)--Prime Minister Yasuhiro Nakasone sacked the president of the Japanese National Railways, Iwao Nisugi, Friday to show his resolve to reform the money-losing public corporation, government sources said.

Former Vice Transport Minister Takaya Sugiura will succeed Nisugi, the sources said.

The reshuffle came only one month before an advisory body will call for dividing the nationwide railway system into several firms under private management.

Nisugi and his staff were reported to have been opposed to the sweeping reform of the JNR.

The five-member panel, created in June 1983, will submit its report to Prime Minister Nakasone in late July after two years of discussion on how to reconstruct the deficit-ridden JNR.

Nisugi took over the presidency of JNR in November 1983 succeeding Fumio Takagi, a one-time vice minister of finance.

JNR suffered a 1.6 trillion yen deficit in fiscal 1983 ended March 1984, according to its business report issued in August 1984. This meant it lost 4.5 billion yen each day.

Its cumulative losses totaled 10.6 trillion yen and long-term liabilities stood at 19.9 trillion yen as of 31 March 1984.

After accepting Nisugi's resignation, Nakasone invited Sugiura and offered him the post, officials said.

Sugiura, 59, whose career had been with the Transport Ministry, served as head of the National Railways Department and the director of the Railway Supervision Bureau. Known as a railway expert, Sugiura left the ministry after resigning as vice transport minister in July 1984.

Sugiura told newsmen that he would honor the upcoming report from the panel next month and would divide the huge railway and place it under private management if it was proposed to do so.

Nisugi, the outgoing JNR president, said he had considered resigning for the past week.

Nisugi said he was not necessarily opposed to division of the JNR and that he asked the prime minister to fully consider opinions of JNR staff before coming to a final conclusion on the matter.

CSO: 4100/601

POLITICAL AND SOCIOLOGICAL

CABINET APPROVES APPOINTMENT OF NEW JNR CHAIRMAN

OW250311 Tokyo KYODO in English 0259 GMT 25 Jun 85

[Text] Tokyo, 25 Jun (KYODO)--A cabinet meeting Tuesday approved the appointment of Takaya Sugiura, a former vice transport minister, to the presidency of Japan National Railways (JNR), succeeding Iwao Nisugi.

The reshuffle comes only one month before an advisory body is due to announce a plan for dividing the nationwide railway system into several firms under private management.

Following the cabinet meeting, Sugiura told a press conference at the prime minister's official residence that he will reform the deficit-ridden public corporation by carrying out the denationalization and division of JNR.

He said: "The reconstruction of Japan National Railways can be carried out only by splitting it up and privatizing it. There have been various ideas on the way of reconstruction, but we have to do it with the agreement of all JNR staffers."

The denationalization and splitting up of JNR, which now employs more than 300,000 workers, was originally recommended by the government ad hoc committee on administrative reform in its report to the prime minister in 1983.

CSO: 4100/601

POLITICAL AND SOCIOLOGICAL

FRANCE'S BEREGOVY CALLS ON NAKASONE, TAKESHITA

OW241247 Tokyo KYODO in English 1152 GMT 24 Jun 85

[Text] Tokyo, 25 Jun (KYODO)--Prime Minister Yasuhiro Nakasone and visiting French Economic Minister Pierre Berezgoy Monday agreed that their countries should further expand economic relations, officials said.

In a meeting here, Berezgoy, finance, economy and budget minister of France, described current bilateral economic relations as good, and capable of improvement in such fields as industrial cooperation, trade, finance, and investment.

Noting that Japan has been pushing forward cooperation with Pacific countries, Nakasone said he also feels the importance to expand economic cooperation "between the Pacific and the Atlantic," according to the officials.

Nakasone said he is looking forward to meeting French President Francois Mitterrand during his Europe tour scheduled in July.

Berezgoy attended a meeting of finance ministers of the "Group-of-10" leading industrial countries held last weekend in Tokyo.

In a separate meeting, Berezgoy and his Japanese counterpart Noboru Takeshita discussed reform of the international monetary system and economic assistance to developing countries, the officials said.

The French minister expressed hope that advanced countries would cooperate in carrying out reforms of the world monetary system step by step in line with the results of the G-10 meeting.

Takeshita shared Berezgoy's view, saying that there are some problems to be worked on under the current floating exchange rate system, according to the officials.

On the debt problems of developing countries, Berezgoy reportedly said France has accumulated knowhow concerning economic assistance to be [as received] developing countries in Southeast Asia and Africa, and called for Japan to step up cooperation with those nations. Takeshita agreed to the proposal, noting that monetary assistance from international organizations greatly helped Japan to redevelop after the end of World War II.

POLITICAL AND SOCIOLOGICAL

TANAKA'S REHABILITATION PROGRAM GOING WELL

OW251159 Tokyo KYODO in English 1049 GMT 25 Jun 85

[Text] Tokyo, 25 Jun (KYODO)--Kakuei Tanaka's family Tuesday released three pictures of the ailing former prime minister apparently in a bid to show how well he was recovered from the stroke he suffered nearly four months ago.

The pictures, which appeared in a special edition of ETSUZAN, a monthly published by Tanaka's political group in his home constituency in Niigata Prefecture, showed Tanaka resting at his Tokyo residence.

Superimposed on one of the pictures, a title says "no retirement."

In showing the special ETSUZAN issue at a news conference in Tokyo, Naoki Tanaka, Tanaka's son-in-law, told reporters the former prime minister was undergoing a physical rehabilitation program at home and his recovery was going well.

"He also reads newspapers and get-well letters at his office (inside the residence)," Naoki said.

The pictures--snapshots reportedly taken by Tanaka's daughter, Nakiko, on 16 June, Father's Day--came amid growing speculation that Tanaka would be forced to step down from politics because of his health condition.

Tanaka, 67, is known as Japan's "kingmaker" for his enormous influence within the ruling Liberal-Democratic Party.

At a fund-raising party last week, Susumu Nikaido, LDP vice president and Tanaka's close confidant, described Tanaka's condition as "serious."

The pictures were the first publicly released after Tanaka was felled by the stroke on 27 February.

The three pictures, with Tanaka's wife, Hana, standing behind, show Tanaka sitting on a sofa with piles of documents placed on the coffee table in front of him.

One of the pictures had Tanaka placing a golf cap to his forehead with his left hand, but his right hand, which reportedly had been paralyzed by the stroke, was not shown in movement.

A wheelchair was visible at the lefthand side of the pictures, indicating that Tanaka still had trouble moving by himself.

CSO: 4100/601

POLITICAL AND SOCIOLOGICAL

IRAN'S RAFSANJANI TO ARRIVE 1 JULY FOR TALKS

OW260347 Tokyo KYODO in English 0319 GMT 26 Jun 85

[Text] Tokyo, 26 Jun (KYODO)--Akbar Hashemi-Rafsanjani, the speaker of Iran's Parliament, will arrive in Tokyo Monday for a five-day visit, the Foreign Ministry announced Wednesday.

Rafsanjani's talks with Prime Minister Yasuhiro Nakasone, Foreign Minister Shintaro Abe and other political and business leaders are expected to focus on the Iran-Iraq war which is nearly five years old.

Iran's second most powerful figure after Ayatollah Ruhollah Khomeyni, Rafsanjani intends to defend his country's cause in the Gulf war in talks here with Japanese officials, Deputy Foreign Minister Hoseyn Kazem-Pour Ardebili said in Tokyo last week.

Japanese Foreign Ministry spokesman Yoshio Hatano said the speaker of the Majlis, Iran's Parliament, will confer separately with Nakasone and leaders of both houses of the Japanese Parliament Monday.

On Tuesday, the spokesman said, Rafsanjani will have an audience with Emperor Hirohito, who will host a luncheon after the meeting.

The Iranian leader is also scheduled to discuss with Japanese officials the stalled Iran-Japan petrochemical project, a symbol of bilateral economic and technological cooperation and the target of sporadic Iraqi bombings.

Foreign Minister Abe told United Nations Secretary General Perez de Cuellar Tuesday Japan has limited its role to "creating a climate conducive to peace" in the Gulf region and has no intention of mediating despite its fairly good relations with both Tehran and Baghdad.

De Cuellar voiced skepticism at the time about an immediate end to the hostilities, referring to what he called "the deep distrust" between the two warring states, a Foreign Ministry official reported.

Last week, Rafsanjani proposed the creation of an international tribunal in a fresh attempt to settle the military conflict which has deeply worried countries like Japan which are heavily dependent upon Mideast crude.

Rafsanjani will visit the southwestern Japanese port city of Nagasaki next Tuesday (4 July), before leaving Japan the next day.

Nakasone, Abe and other Japanese leaders plan to ask Rafsanjani to help bring about a peaceful settlement of the Iran-Iraq war sparked in September, 1980, following a dispute over the Shatt al-Arab waterway dividing the two countries.

Abe will visit Jordan, Syria and Saudi Arabia next month as part of his shuttle diplomacy which took him to Iran and Iraq in August, 1983.

Japanese Foreign Ministry officials, fully aware of Japan's limited political clout in the Mideast region, have emphasized the importance of economic and other non-political relations with both countries.

CSO: 4100/601

POLITICAL AND SOCIOLOGICAL

CERTIFICATION SYSTEM OVERSEEING PLANNING

OW260325 Tokyo KYODO in English 0244 GMT 26 Jun 85

[Text] Tokyo, 26 Jun (KYODO)--The Japanese Government plans to set up a watchdog body within itself to oversee the progress of new standards and certification systems to be announced next month in its market-opening action program, government sources said Wednesday.

According to the sources, while at present the Office of Trade Ombudsman (OTO) is serving as an official organization through which foreign firms air their complaints over Japan's import procedures, there has been a lot of criticism heard over the effectiveness of the OTO.

Thus, the government plans to give the reorganized OTO more authority so that the revised standards and certification system can be observed in every nook and cranny of the sectors concerned, officials said.

Meanwhile, the government has launched a committee to work out measures to "overhaul" various current standards and certification systems, both in public and private, with its first meeting slated for this week, the sources said.

CSO: 4100/601

24 July 1985

POLITICAL AND SOCIOLOGICAL

ISHIBASHI OPENS SOCIALIST PARTY POLICY SEMINAR

OW260415 Tokyo KYODO in English 0357 GMT 26 Jun 85

[Text] Tokyo, 26 Jun (KYODO)--Japan Socialist Party (JSP) Chairman Masashi Ishibashi, his eye set on the forthcoming local elections in Tokyo, opened a two-day policy seminar Wednesday with an appeal for pragmatism.

Ishibashi, in a key-note speech to the seminar, said there has been a tendency for the party to put too much emphasis on ideals in policy debates while ignoring realities.

"We can't do without ideals, but we can't live with ideals alone," he said.

From the voters' viewpoint, Ishibashi said, the ability to handle immediate realities is much more important than distant ideals.

In an apparent attempt to broaden policy input, the JSP has invited ambassadors from the United States, the Soviet Union, India and Australia as well as leaders of Japan's major union federations to speak at the forum.

In line with a major policy shift since he took over the party leadership in September 1983, Ishibashi also appealed for understanding and cooperation from the party rank-and-file toward the adoption of a new party program known as the "new declaration."

The declaration marks an attempt by the pragmatic leadership under Ishibashi and party Secretary-General Makoto Tanabe to turn the JSP from a labor-backed, class-based party to a broader-based national party.

While outlining the achievements made by the party in its 40 years of history, Ishibashi noted sourly that the party had never been a power except for a brief period in the immediate post-war years.

"This is something we should candidly reflect upon," he said.

Ishibashi, however, acknowledged that the JSP is not seeking to form a single-party government but rather a coalition with other moderate opposition parties.

He reminded the party that since the policy goal is a coalition government, it is essential to accept political compromises based on policy deals with other opposition parties, principally Komeito and the Democratic Socialist Party (DSP).

Ishibashi did not mention any specific policy compromises, but major policy areas that have set the JSP apart from Komeito and the DSP are nuclear power and Japan's self-defense forces.

While both Komeito and the DSP accept nuclear power and the self-defense forces, the official JSP policy platform still call for scrapping all nuclear power stations and speaks of "unarmed neutrality."

These two policy areas, however, are also undergoing subtle changes under Ishibashi's leadership.

Instead of outright "unarmed neutrality," Ishibashi advocates giving legal recognition to the self-defense forces. Also, the party leadership has tried to change the party's nuclear policy by suggesting that the party should oppose the building of new nuclear plants while allowing the existing nuclear facilities to continue operation.

CSO: 4100/601

END